

## Message Text

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ACTION NEA-10

INFO OCT-01 EA-07 ISO-00 EUR-12 SP-02 USIA-06 AID-05  
EB-08 NSC-05 TRSE-00 SS-15 STR-04 OMB-01 CEA-01  
L-03 H-01 COME-00 CIAE-00 DODE-00 PM-04 INR-07  
NSAE-00 PA-01 PRS-01 /094 W  
-----151308Z 089349 /53

R 150955Z APR 77  
FM AMEMBASSY CAIRO  
TO SECSTATE WASHDC 3887  
INFO AMEMBASSY ABU DHABI  
AMEMBASSY BONN  
AMEMBASSO DOHA  
AMEMBASSY JIDDA  
AMEMBASSY KUWAIT  
AMEMBASSY ROME  
AMEMBASSY TEHERAN  
AMEMBASSY TOKYO

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E.O. 11652: N/A  
TAGS: EAID, EGEN, EG, IT  
SUBJECT: ASSISTANCE TO EGYPT: ITALIAN LOAN

1. MINECON U/SEC GAMAL EL NAZER, WHO HANDLES BILATERAL ASSISTANCE PROGRAMS, INFORMES US THAT HE AND MINECON EL SAYEH WILL BE IN ROME IN NEXT FEW DAYS TO DISCUSS \$40 MILLION LOAN FROM ITALY THAT HAS BEEN IN THE WORKS FOR SOME TIME. HE SAYS GOE HAS REACHED A DECISION NOT TO USE THE LOAN FOR REHABILITATION/EQUIPEENT OF SUEZ CANAL RAILWAY, AS HAD EARLIER BEEN ANNOUNCED, BUT WILL APPLY IT TO IMPORTS OF COMMODITIES (WHICH USUALLY MEANS CONSUMABLES) AND CAPITAL GOODS.

2. EL NAZER GAVE IMPRESSION THAT THIS DECISION REFLECTS EGYPTIAN DESIRES. HE SAID GOE HAD "REFUSED" TO USE THE MONEY

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FOR RAILROAD PROGRAM.

3. COMMENT. ITALIANS MAY NOT BE TOO HAPPY WITH THE ABOVE, BOTH BECAUSE THEY WOULD PREFER PROJECT-TYPE LOAN UTILIZATION AND, BECAUSE ARE STILL MIFFED AT BEING LEFT OUT OF IBRD'S CONSULTATIVE GROUP ON EGYPT, THEY ARE NOT INVOLVED IN BALANCE OF PAYMENTS ASSISTANCE -- AT LEAST UP TO NOW. ITALIAN EMBASSY

HERE SAYS GOI WILL RESIST EGYPTIAN  
PROPOSAL, MUCH PREFERING A FACTORY TO COMMODITIES, BUT IS WILLING  
TO DROP RAILROAD IDEA. IN PRIVATE CONVERSATION, EL NAZER SAID  
EGYPTIANS HOPED TO GET HALF IMPORTS AND HALF PROJECTS OUT OF THE  
ITALIAN LOAN.

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEVELOPMENT LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 15-Apr-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977CAIRO06302  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770131-0807  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 54f798a4-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2798474  
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**Status:** NATIVE  
**Subject:** ASSISTANCE TO EGYPT: ITALIAN LOAN  
**TAGS:** EAID, EGEN, EG, IT  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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22 May 2009  
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